



Joint Review Board

Regular Untelevised

335 South Broadway
De Pere, WI 54115
<https://www.deperewi.gov/>

Agenda

Tuesday, February 16, 2021

9:00 AM

GoToMeeting

Pursuant to Wisconsin Statutes 19.84, Notice is hereby given to the public that a meeting of the **Joint Review Board** of the City of De Pere will be held on **February 16, 2021** at **9:00 AM**.

Due to the current public health emergency, the meeting will be held electronically and the public may attend this meeting electronically or telephonically by accessing either:

Please join my meeting from your computer, tablet or smartphone.

<https://www.gotomeet.me/DePere>

You can also dial in using your phone.

United States (Toll Free): [1 866 899 4679](tel:18668994679)

United States: [+1 \(312\) 757-3117](tel:+13127573117)

Access Code: 154-883-285

THIS MEETING WILL NOT BE HELD IN PERSON.

Call to Order

1. Roll Call
2. Introductions.
3. Discuss Role of the Joint Review Board.
4. Election of Chairperson for District No. 17.
5. Appointment of Citizen Member for District No. 17.
6. Overview of the Draft Proposed Project Plan and District Boundary for Tax Increment District No. 17.
7. Future Agenda Items.
8. Next Meeting Date.

Adjournment

Any person wishing to attend this meeting, who, because of disability, requires special accommodations should contact the Development Services Department at 339-4043 by noon the previous day so that arrangements can be made.

Agenda Sent To:

Alderspersons
City Administrator
Mayor
Department Heads
TV, Newspapers & Radio Stations
Kress Family Library
De Pere Chamber of Commerce



City of De Pere, Wisconsin

Request For Joint Review Board Action

MEETING DATE: February 16, 2021

DEPARTMENT: Planning

FROM: Kelly Barker

SUBJECT: Introductions.



City of De Pere, Wisconsin

Request For Joint Review Board Action

MEETING DATE: February 16, 2021

DEPARTMENT: Planning

FROM: Kelly Barker

SUBJECT: Discuss Role of the Joint Review Board.

ATTACHMENTS:

- Role of JRB (PDF)

2. Complete Form PE-223 and email documents to DOR ([sec. 66.1105\(8\)\(a\), Wis. Stats.](#))

Within 60 days of adopting the termination resolution, the municipal clerk must email tif@wisconsin.gov a copy of the termination resolution and a completed Final Accounting Submission Date Agreement ([PE-223](#)). DOR recommends the municipality also notify its municipal assessor, county property lister, and overlying taxing jurisdictions.

3. Complete the TID Final Audit

The municipality must have a Certified Public Accountant (CPA) complete the final audit for all revenue and expenditures during the TID life. The municipality must save a copy of the audit in its TID records and does not need to submit a copy to DOR.

4. E-file the TID Final Accounting Report (PE-110)

Before the termination is final, the municipality must electronically file (e-file) the Final TID Accounting Report ([PE-110](#)) using [MyDORGov](#). The TID Final Accounting Report (PE-110) is due to DOR based on the date agreed upon between the municipality and DOR on the Final Accounting Submission Date Agreement ([PE-223](#)). The PE-110 form includes total expenditures and revenue during the TID life based on the final audit.

If a municipality does not e-file this report within the specified timeframe, it will delay the certification of future TIDs. For more details on termination reporting, review ([sec. 66.1105\(8\)\(c\), Wis. Stats.](#)).

Final Accounting Report must show either:

- Increment revenue paid all project costs and the TID account has a surplus. The municipality must return the excess increments to the overlying taxing jurisdictions in proportion to the amounts that belong to each taxing jurisdiction.
- Increment revenue did not cover the project costs and the TID account has a deficit. The municipality is responsible for paying the remaining debt.

The final TID account balance must be zero either after the surplus is distributed or after the municipality pays the remaining debt.

III. Joint Review Board (JRB)

A. JRB Purpose

State law provides for a JRB and defines its members and responsibilities. JRB members represent a taxing jurisdiction (municipality, county, school, technical college). It is the JRB's responsibility to approve or deny the creation or amendment of a Tax Incremental District (TID). If the JRB approves the TID, it viewed or heard convincing evidence of the need for Tax Incremental Financing (TIF) assistance to make the development a reality. The JRB jurisdictions agree to sacrifice some amount of tax revenue for many years into the future expecting the tax base will ultimately increase.

B. JRB Members

The JRB consists of one representative from each taxation jurisdiction (school district, technical college, county, municipality), and one public member.

District representatives

- **School** – the school board president, or their designee with preference to the school district's finance director. If the TID is located in a union high school district, the school seat is shared by the union high school representative and school district representative; each having one-half vote.

- **Technical college** – the technical college district director, or their designee with preference to the district's chief financial officer
- **County** – the county executive or the county board chairperson, or this person's designee with preference to the county treasurer
- **City/village/town** – the mayor or city manager, the village board president, town board chairperson or their designee with preference to the person who administers the economic development programs, the municipal treasurer or another person with knowledge of local government finances
- **Public member** – a majority of the other members chooses the public member at the JRB's first meeting. State law has no requirements for the public member. A public member can be appointed as chairperson. For a multijurisdictional TID, each participating municipality may appoint one public member.
- **JRB chairperson** – the chair of the JRB is chosen by a vote of the other members at the first JRB meeting

If more than one school, union high school, technical college or county district has the power to levy taxes on the property within the TID, the district with the greatest **value** chooses the representative to the JRB.

Examples:

- School District "A" serves 75 percent of the area in the TID, but only has 40 percent of the TID value. School District "B" serves 25 percent of the area in the TID but has 60 percent of the TID value. District "B" chooses the JRB member.
- In the case of a territory amendment, if adding property from one county to an existing TID in a different county, the county where the additional territory is located chooses the JRB member. After the territory amendment is completed, any future amendments require a new calculation to determine which county has the majority of the land value and voting representation on the JRB.

C. JRB Procedures

1. Based on review, the JRB can approve or deny a TID creation or amendment

- When creating a TID, the municipality must send the overlying taxing districts a letter with a copy of the public hearing notice (by first class mail before the notice is published) to request a representative to serve on the JRB for that TID
- Within 14 days after the public hearing notice is published and before the public hearing for a TID creation, all JRB members must be appointed and the first organizational meeting held. At the organizational meeting, the members must select a public member and chairperson. They may also review details of the new TID.
- After receiving the municipal resolution, the JRB must meet again to vote on the resolution. The JRB should adopt its own resolution to document its decision based on the criteria in state law.
- Any JRB member may request additional JRB meetings or public hearings
- At all JRB meetings, one of the members must take minutes and record votes. The municipality is responsible for keeping these TID records.
- The municipality must publish a notice for any JRB meeting at least five days before the meeting, under state law (ch. 985, [sec. 66.1105\(4m\)\(e\), Wis. Stats.](#)). This does not apply to town TIDs created under [sec. 60.85 Wis. Stats.](#) or Environmental Remediation TIDs created under [sec. 66.1106](#).

2. After receiving the municipal resolution, the JRB must approve or deny the resolution

- **Within 45 days** – City/Village TIDs created under [sec. 66.1105, Wis. Stats.](#)
- **Between 10 days and 45 days** – Town TIDs created under [sec. 60.85, Wis. Stats.](#) or Environmental Remediation TIDs created under [sec. 66.1106, Wis. Stats.](#)

3. After the JRB resolution is adopted

- JRB must respond to municipal officials within seven days of its decision
- If the JRB rejects a resolution, the JRB must explain in writing why the proposal did not meet the decision criteria

D. JRB Document Review

The municipality must provide the JRB with specific information under state law ([sec. 66.1105\(4\)\(i\)](#), [sec. 60.85\(3\)\(k\)](#), and [sec 66.1106\(3\)\(b\)](#), Wis. Stats.). JRB members may request missing or additional information.

1. Required information

- Specific projects and costs, including the amounts expected to be paid by tax increments and the estimated tax increments over the life of the TID
- Value increment after project costs are paid and the TID terminates
- Reasons why the property owners benefitting from the improvements within the TID should not pay the project costs
- Share of the projected tax increments estimated to be paid by the property owners in each of the overlying taxing districts
- Benefits the taxpayers will receive to compensate for their share of the projected tax increments

2. Additional information the JRB may request

- **Detailed list of project costs, resolutions and public records** – copies of the planning commission and municipal resolutions, project plan, public hearing minutes and notices, signed development agreement
- **Economic feasibility study** – detailing the projected tax increments and estimates of increased property values
- **For multijurisdictional TIDs** – copy of the signed intergovernmental agreement created under state law ([sec. 66.0301, Wis. Stats.](#)). The agreement must provide the specific information listed in [sec. 66.1105\(18\)\(b\)2, Wis. Stats.](#)

E. JRB Decision Criteria

The JRB must make a decision based on the documents and information provided by the municipality and three criteria found in state law ([sec. 66.1105\(4m\)\(c\)](#), [sec. 66.1106\(3\)\(c\)](#), [sec. 60.85\(4\)\(c\)](#), Wis. Stats.). The JRB must determine whether the:

1. Development expected in the TID would occur without the use of TIF ("but for" requirement)
2. Economic benefits of the TID, as measured by increased employment, business and personal income and property value, are sufficient to compensate for the cost of the improvements
3. Benefits of the proposal outweigh the anticipated tax increments to be paid by the property owners in the overlying taxing districts

Each criterion is important to ensure the TIF project is beneficial for all taxpayers in the overlying districts. Many consider the first criterion, the "but for" requirement, the most important. "But for" gets its name from the phrase, "This development would not happen but for the financial support of TIF." This means the project is not economically viable without the use of TIF to pay for the infrastructure improvements. Review [But for Requirement](#) for more information.

Questions to consider

1. Would the expected development occur without ("but for") the use of TIF? Would the development occur if the project was scaled back or the timeframe pushed out? Did similar projects proceed without the use of TIF?
2. Will the development's economic benefits measured by increased employment, business and personal income and property value, compensate for the cost of the improvements?
3. Do the benefits outweigh the taxes residents of overlying districts are expected to pay?

4. How does the planned development fit into the overall economic picture in the district? How does the development fit with other development in the district? Will the potential businesses benefit the district in the long term? How many and what type of jobs will this development create?
5. How does the TID benefit taxpayers in my district? Is the total expenditure for eligible project costs feasible?
6. Is there a better use for the development site, the tax revenue and the limited TIF capacity?
7. What is the general opinion of my district's residents on this TID?
8. How will the planned development affect the demand for services in my district? Consider items such as: increased population, traffic impact, fire and police protection, emergency medical services, water, sewer, administrative services, increased student population, demand for training or housing.
9. Is the developer receiving a subsidy, such as a cash grant, incentive or forgivable loan? If so, how was the need and benefit analyzed? Is there a written developer's agreement? Was the public informed of the developer's subsidy in the published hearing notice?
10. What guarantees are in place to ensure the development will occur as anticipated and the property value will increase as expected?

F. DOR Review Procedure

Under state law ([sec. 66.1105\(4m\)\(b\)4, Wis. Stats.](#)), the JRB may request DOR review the facts contained in the documents listed in [Additional information the JRB may request](#).

1. To request a DOR review

- Majority of the JRB members must support the request
- JRB must submit a written request to DOR and must specify which fact or item the members believe is inaccurate or incomplete
- Within 10 working days of receiving a request for review that complies with the filing requirements, DOR will investigate the issues raised and send a written response to the JRB
- Review [JRB Request for DOR Review](#) for more information

2. What if the information does not comply or is inaccurate?

- If DOR determines the information does not comply with state law or contains a factual inaccuracy, the JRB may request (but may not require) that the municipality correct and resubmit the proposal for review.
 - » **If the municipality resubmits the proposal** – the JRB must vote to approve or reject under state law. The JRB must submit its decision to the municipality within 10 working days after receiving the resubmitted proposal.
 - » **If the municipality does not resubmit the proposal** – the TID is not certified
- If DOR does not identify any factual inaccuracies, the JRB must vote to approve or reject as otherwise specified in state law. The JRB must submit its decision to the municipality within 10 working days of receiving DOR's written response.

G. After the JRB approves a TID

- Municipality sends DOR a request to certify the TID and includes all the required documents. If DOR determines procedures were followed, DOR will email the municipality a certification letter.
- While the TID is active, the JRB must meet yearly to review the annual performance and status of the TID based on the annual report ([sec. 66.1105\(4m\)\(f\), Wis. Stats.](#))



City of De Pere, Wisconsin

Request For Joint Review Board Action

MEETING DATE: February 16, 2021

DEPARTMENT: Planning

FROM: Kelly Barker

SUBJECT: Election of Chairperson for District No. 17.



City of De Pere, Wisconsin

Request For Joint Review Board Action

MEETING DATE: February 16, 2021

DEPARTMENT: Planning

FROM: Kelly Barker

SUBJECT: Appointment of Citizen Member for District No. 17.



City of De Pere, Wisconsin

Request For Joint Review Board Action

MEETING DATE: February 16, 2021

DEPARTMENT: Planning

FROM: Daniel Lindstrom

SUBJECT: Overview of the Draft Proposed Project Plan and District Boundary for Tax Increment District No. 17.

ATTACHMENTS:

- TID No. 17 Project Plan Draft 02092021 (PDF)



City of De Pere

Tax Increment District No.17 Project Plan and Boundary

Prepared by the Development Services Department

DRAFT 02/09/2021

**Plan Commission Review and Approval (tentative)
Common Council Review and Approval (tentative)
Joint Review Board Review and Approval (TBD)**

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- 2: Opinion Letter from City Attorney Regarding Compliance with Statutes
- 3: Letter Chief Official of Overlying Taxing Entities and Notice
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- 5: JRB Meeting No. 1 Agenda and Minutes
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- 9: Plan Commission/Public Hearing Meeting Agendas
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- 12: Common Council Meeting Agenda
- 13: Common Council Meeting Minutes
- 14: Common Council Resolution Creating TID No. 17

City of De Pere TID No. 17 Officials and Acknowledgements

Common Council

Mayor James Boyd
 Amy Chandik Kunding
 Shana Defnet Ledvina
 Jonathon Hansen
 Kelly Ruh
 Dean Raasch
 Mike Eserkaln
 Casey Nelson
 Dan Carpenter

Plan Commission

James Boyd, Mayor
 Dan Carpenter, Alderperson
 Dean Raasch, Alderperson
 Derek Beiderwieden, Commissioner
 Brenda Busch, Commissioner
 Mark Higgins, Commissioner
 Grant Schilling, Commissioner

Joint Review Board

Larry Delo City, Administrator - City of De Pere Representative
 Bob Mathews - Board Member Present
 Dawn Foeller – Unified De Pere School District
 Chad Weininger – Brown County Representative
 _____ –Citizen Member

City Staff

Daniel J. Lindstrom, AICP Development Services Director
 Larry Delo, City Administrator
 Judith Schmidt-Lehman City Attorney
 Kelly Barker, Administrative Assistant

Milestone Dates

Public Hearing: February 22, 2021
 Plan Commission Approval Recommendation: TBD
 Common Council Approval: TBD
 Joint Review Board Approval: TBD

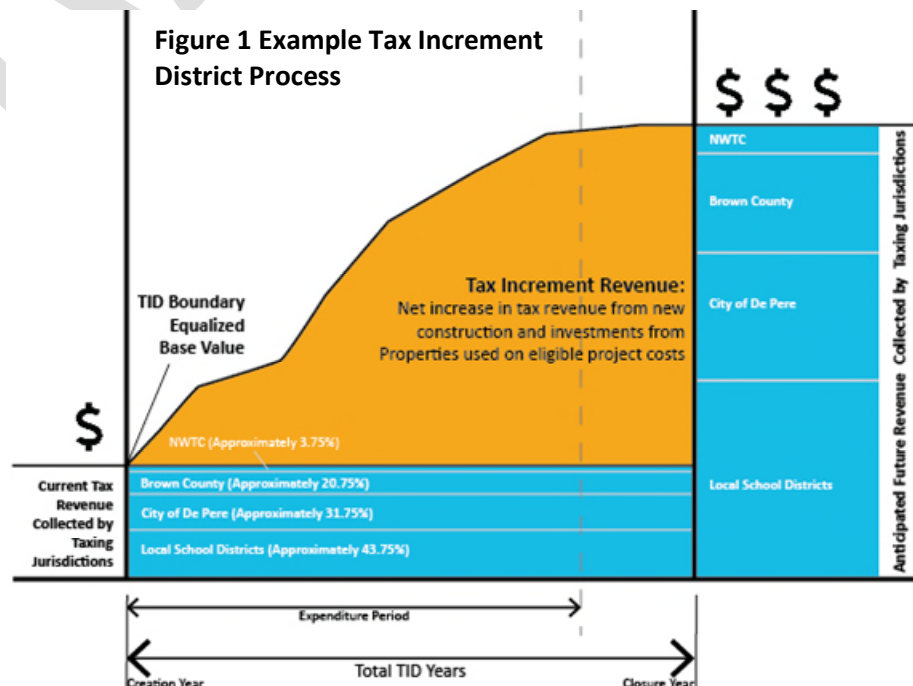
1. COMMUNITY INTRODUCTION

The 25,000 people, who call the City of De Pere, Wisconsin home, know that the community provides a high quality of life in the Greater Green Bay metropolitan area. The excellent schools, a dynamic downtown, successful business parks, and safe neighborhoods served by ample parks and natural areas have resulted in considerable loyalty and community pride among residents. The residences, businesses, and commercial areas are connected with a transportation and green space network that accommodates cars, bikes, and pedestrians. The beautiful Fox River is the focal point of the City Center and the Claude Allouez Bridge unites the two sides of our dynamic downtown. Whether you are on the east side or west side, historic buildings thoughtfully blend with new redevelopment to provide a mix of housing, employment, shopping, dining, and entertainment.



2. INTRODUCTION TO TAX INCREMENT FINANCING

Tax Increment Financing (TIF) is a method of public finance often used by municipalities across the United States to subsidize redevelopment, infrastructure, and other community growth projects. The Wisconsin legislature passed the first TIF law in 1975, and municipalities across the state have used the mechanism to make improvements to specified Tax Increment Districts (TIDs). TIF helps to promote local tax base expansion by using property tax revenues to fund site improvements to attract new development, industry, rehabilitation/conservation projects, mixed-use development, blight elimination, and environmental remediation. During the development period, tax bases for the entities in question remain static at pre-development levels, while property taxes continue to be paid. The taxes derived from increases in property value within the TIDs (the tax increment) are diverted into a special fund at the City to pay for the costs of this redevelopment. Generally, the City will borrow funds to pay for initial development costs and use tax increments to retire debt. The City works with developers and property owners to provide infrastructure improvements and incentives for development. Public infrastructure and property improvements will be financed by a combination of TIF increments and debt financing. Figure 1 diagrams the example TID lifespan and process.



The State of Wisconsin classifies City Tax Increment Districts into several categories: rehabilitation, blight removal, industrial, mixed-use, and environmental remediation districts. Tax Increment Districts terminate once either all costs are paid through increment financing or the mandated termination date passes. Upon termination, the taxing jurisdictions within the TID share in the post-TIF tax revenue generated through improvements during the TID's lifetime.

3. TAX INCREMENT DISTRICT NO. 17 OVERVIEW

Tax Incremental District No. 17 ("TID No.17") is being created as an overlap of Tax Incremental District No. 10 (TID No. 10). TID No. 10 was created on August 7, 2012 and is expected to terminate (absent extension) ending August 7, 2032. The City created TID No. 10 to spur the development of the southern portion of the East Industrial Park and help facilitate the development of the Southern Bridge project; however, as the Southern Bridge project continued to delay, the prospect of developing TID No. 10 became more challenging as businesses are reluctant to locate into a park that does not have immediate interstate access and requires their raw goods and finished products to cross through a congested downtown bridge.

Businesses now have a renewed vigor for this area with the announcement of the Southern Bridge preferred route from I-41 to County Highway GV. Specifically, the City has a large proposed development utilizing property currently located in TID No. 10 that will require TIF incentives to spur the development and facilitate the construction of the extension of Commerce Drive. The projected construction schedule for this proposed development has a completion date of mid-2022. The two-year delay between private development construction completion increment revenue leaves little time to create enough increment to repay the required incentives and infrastructure. Therefore a new TID is necessary to accomplish the development. TID No. 17 would also assist Brown County in funding the portion of the Southern Bridge project adjacent to and with a half-mile of the TID No. 17 Boundary.

Unfortunately, due to changes in manufacturing assessments and recent sales of private property at a reduced rate, TID No. 10 saw a reduction of 33.5% in increment value from 2019 (\$10,358,000) to 2020 (\$6,886,100) without any major changes to businesses. Finally, large reductions in the overlaying jurisdictional tax rates negatively impacted TID No. 10; therefore, to compensate TID No. 17 will also be a donor to TID No. 10 (east De Pere saw a combined 18.5% reduction in mill rates over the past two years).

The TID is being created as a "Mixed-Use District" that intends to be a composite of commercial and manufacturing. The instant focus of this District is to facilitate the proposed manufacturing development that makes up several current parcels. This proposed 350,000 square foot development has a projected cost of \$19 million and will require TIF incentives and the extension of Commerce Drive. This major project will have a guaranteed assessed value of approximately \$10 million and bring additional employees to the City. A Payment in Lieu of Taxes will be required if the property falls below the guaranteed addressed value or revenue during the life of the TID.

4. TAX INCREMENT DISTRICT NO. 17 CREATION

This Project Plan is for a mixed-use Tax Increment District in the City of De Pere. The Project Plan has been prepared in compliance with Wisconsin Statutes Chapter 66.1105(4)(f) and includes a detailed description of the Tax Increment District (TID) and boundary. The Project Plan

specifically establishes the need for the district, lists the proposed improvements within the district, and includes the estimated schedule and estimated budget.

a. Planning and Approval Process Timeline

The Finance and Personnel Committee recommended staff and the Plan Commission initiate the planning process for the creation of TID No. 17. The City notified the overlying taxing jurisdictions of the public hearing on February 3, 2021 and published public hearing notices in the Green Bay Press Gazette on February 5, 2021 and February 12, 2021. The notice for the first Joint Review Board (JRB) meeting was published on February 5, 2021. The Joint Review Board held their organizational meeting on February 16, 2021.

The City held the public hearing for the creation of the TID No. 17 Project Plan and boundary on February 22, 2021. After the public hearing, the Plan Commission recommended _____ of the TID No. 17 Project Plan and Boundary. This Project Plan and boundary was adopted by resolution of the Common Council on _____.

On _____, the Joint Review Board reviewed and _____ of The TID No. 17 Project Plan and the boundary as required by Wisconsin Statutes. The City published the agenda notice of the final Joint Review Board meeting on _____.

Documentation of all resolutions, notices, and minutes can be found as attachments to this Project Plan. As required by Wisconsin Statutes Chapter 66.1105(5)(b), a copy of the Project Plan will be submitted to the Wisconsin Department of Revenue and used as the basis for the certification of Tax Increment District No. 17 in the City of De Pere. This official Project Plan guides the development activities within TID No. 17. Implementation of the Project Plan and completion of the proposed activities require a case-by case-authorization by the Plan Commission, Board of Public Works, Finance and Personnel Committee and the City Council. Public expenditures for projects listed in the Project Plan will be based on the development status of the land and economic conditions existing at the time of construction or implementation. Changes to the TID boundary or project categories not identified here require a formal amendment to the Project Plan involving a public hearing and review and City Council approval.

b. Description And Inventory of Area

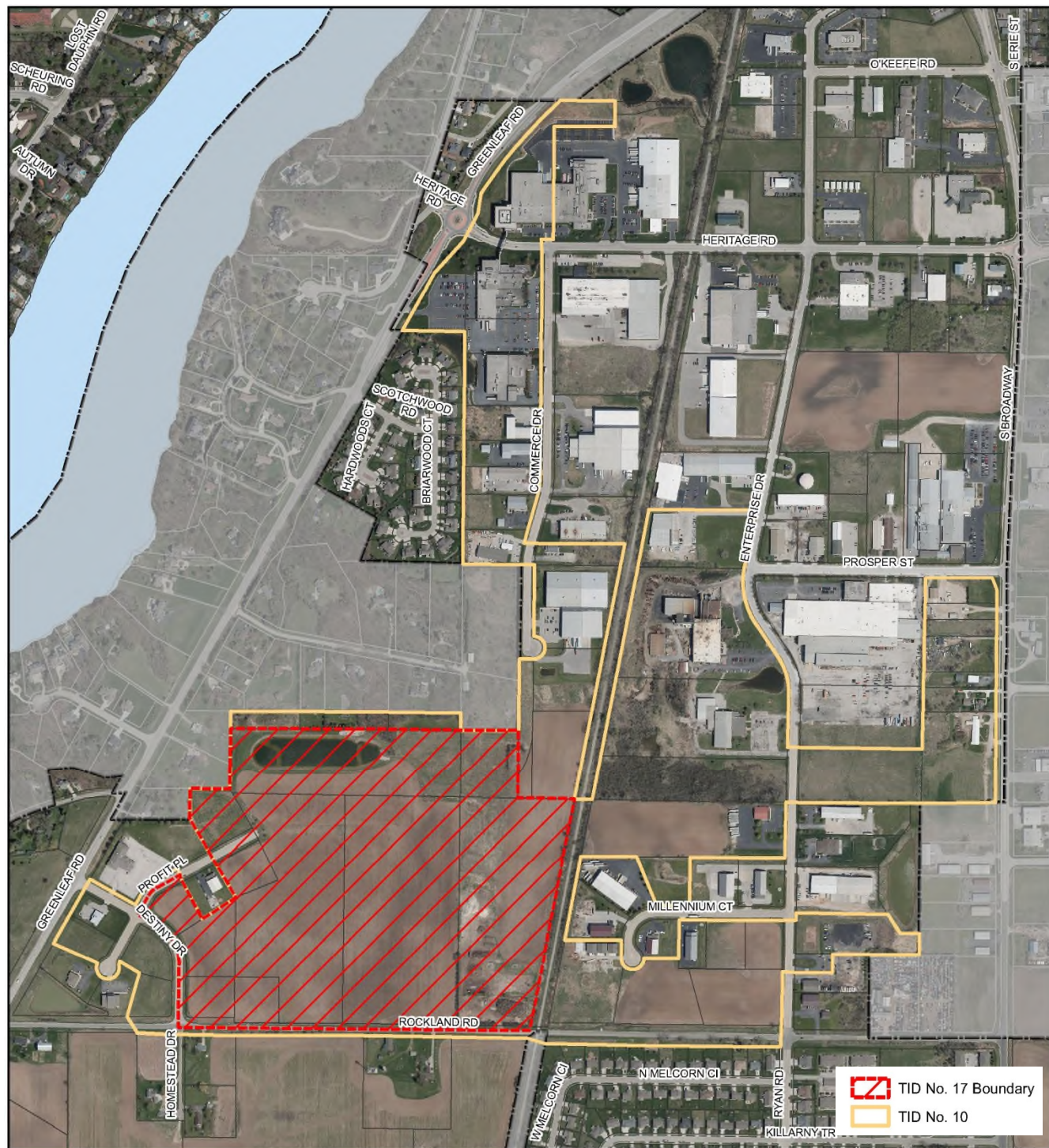
The real property in the TID is in the City of De Pere, located in Brown County, WI. The TID No. 17 project area is roughly defined by properties:

- North of Rockland Road
- West of the Fox River Trail
- South of the City Boundary
- East of Profit Place and Destiny Drive

Rockland Road represents a future major entry into the east side of De Pere and the TID and contains property primarily owned by the City of De Pere. The TID Boundary encompasses 79.2 acres; however, the TID Project Plan identifies 11 parcels or 76.2 acres of real property as identified in Map 1 of Appendix B. The City, through land development regulations and the implementation of the TID Project Plan, could require or facilitate additional right-of-

way acquisitions, land dedications, land swaps between property owners, or right-of-way vacations; however, only whole parcels may be included within the TID boundary.

TID Boundary Map: A complete map set is included within Appendix B of this Project Plan.



DRAFT

5. STATEMENT OF PURPOSE

TID No. 17 is being created as a mixed-use district to encourage additional development in the City, with the specific goal of increasing commercial and manufacturing development opportunities in the community. The City recognized that without the creation of the District, the employment generators and positive construction increment would not occur if the proper infrastructure was not in place to attract and support the development. Therefore, the creation of the TID creates a path for developers and the City to develop the lands. The creation of the TID also enables the City to have greater control over the development process to ensure that subsequent development is compatible with the District and neighboring properties.

The City also intended to complete the following:

- Construction of roads in and up to a one-half mile of the TID boundary;
- Infrastructure upgrades and expansions to sewer and water utilities;
- Developer incentives; and
- Potential land purchases and other potential capital costs.

6. SUMMARY OF FINDINGS

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project Plan creation and the exhibits contained and referenced herein, the following findings are made:

a. Project Plan is:

- i. In conformity with the Comprehensive Plan and other guiding documents.
- ii. Economically feasible and will enable the TID to close prior to the required closure date.

b. Economic Feasibility and Benefits:

- i. As detailed in the economic feasibility section of this Project Plan, the total tax increment and resulting revenues in the District are sufficient to pay for the existing public works and the proposed incentives included within this Project Plan.
- ii. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. Moreover, the development and infrastructure projects will spur additional development located outside of the TID, the overlying taxing jurisdictions will see an increase in the tax base immediately instead of waiting for the District to close with a much larger TID.
- iii. The expenditures made will create new jobs in the immediate area as a result of the TID creation. When added to the area within one-half mile of the District, the new and existing businesses in the area will be able to capture an additional or larger market share in the greater region. Therefore, the project costs of the District continue to relate directly to promoting development in the District consistent with the purpose for which the District is to be created.

c. "But For Test":

But for the creation and subsequent amendments of this District, the City and developers would not be able to use the Project Plan tools (infrastructure, demolition, land assemblage,

and development incentives (“cash grants”) to facilitate the redevelopment of the district. That “but for” the creation of this TID, the development projected as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In making this determination, the City has considered the following information:

- i. Development within the TID has not occurred at the pace anticipated by the City. Infrastructure and other development-related expenses are not likely to be borne exclusively by private developers; therefore, the City has concluded that public investment will be required to fully achieve the City’s objectives for this area.
 - ii. To achieve its objectives, the City has determined that it must take an active role in encouraging development by making appropriate public expenditures in the area. Without the availability of tax increment financing, these expenditures are unlikely to be made. Enhancement of this area will complement existing venues in the City, and benefit, not only the City but all overlapping taxing jurisdictions. Accordingly, the costs to implement the needed projects and programs are appropriately funded through tax increment financing.
 - iii. In order to make the area included within the TID suitable for development, the City will need to make a substantial investment to pay the costs of some or all of the projects listed in the Project Plan such as offsite public infrastructure (stormwater pond, roadway, and intersection improvements). Due to the public investment that is required, the City has determined that development of the area will not occur at the pace or levels desired solely as a result of private investment.
- d. 12% Test:
The City does not exceed the 12% maximum threshold for the total equalized increment value combined with the projected new TID base value in this TID as a ratio of the total equalized value of the property in the City. The total increment value of all the existing tax increment districts within the City equals 8.35%.
- e. District Type:
The TID is being created as a Mixed-Use District. This Project Plan has met the definition and requirements for a Mixed-Use District. Not less than 50% of the proposed district’s area land is suitable for industrial and commercial use.
- f. Estimated Percentage of Retail:
The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District’s maximum expenditure period.

7. CITY PLANNING AND ZONING

The following are the subject sections and maps of the City of De Pere guiding documents:

- a. Existing Land Use:
As of the drafting of this Project Plan, the TID area is primarily comprised of open space, road, rights-of-way, agricultural fields, and stormwater facilities. Map 3 of Appendix A illustrates the existing land uses.

b. Future Land Use:

The 2010 De Pere Comprehensive Plan designates the areas as Future Business Park. Map 4 of Appendix A illustrates the future land uses. The City currently has a sale option with the Greater Green Bay YMCA for the potential for a future location. The City shall require the change in the future land use prior to rezoning and the implementation of the YMCA development.

c. Zoning:

The parcels in the TID are subject to local zoning and land division regulation. The parcels are currently zoned as applicable by Wisconsin Statutes, the City can implement zoning changes that comply with the Comprehensive Plan. Map 5 of Appendix A illustrates the existing zoning.

8. **STATEMENT OF KIND, NUMBER, AND LOCATION OF PUBLIC WORKS & OTHER PROJECTS**

The City proposes to create TID No. 17 to promote mixed-use development and redevelopment of properties, improve a portion of the City, enhance the value of the TID, and broaden the property tax base. Any cost directly or indirectly related to achieving the objective of promoting mixed-use development is considered a "project cost" and eligible to be paid from tax increments of this tax increment district, including but not limited to the list below. This may include the construction of infrastructure in and up to a one-half mile of the TID boundary. Map 6 in Appendix A illustrates this boundary. Listed below are major categories, which are necessary and standard improvements for promoting mixed-use development:

a. Infrastructure

That portion of costs related to the construction or alteration of sewage treatment plants; water treatment plants or other environmental protection devices; storm or sanitary sewer lines; stormwater management facilities; water lines or amenities on streets; or the rebuilding or expansion of streets, the construction, alteration, rebuilding or expansion of which is necessitated by the Project Plan for a district, and is within the district.

Infrastructure can also be installed outside the district, if required, to carry out Project Plans; but only the portion which directly benefits the district is an eligible cost. Map 7 In Appendix A illustrates the proposed physical improvements.

The City budgeted \$3,000,000 under this category.

b. Capital Improvement Costs

Including, but not limited to, the costs of the construction of public works or improvements; new buildings, structures, and fixtures; the demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and fixtures, other than the demolition of listed historic properties and the acquisition of equipment to service the district.

The City budgeted \$100,000 under this category.

c. Site Development Costs

Site development activities required to make sites suitable for development including, but are not limited to, environmental studies and remediation; stripping topsoil; grading; compacted granular fill; topsoil replacement; access drives; parking areas; landscaping;

stormwater detention areas; demolition of existing structures; relocating utility lines; and other infrastructure, utilities, signs, fencing, and related activities.

The City budgeted \$50,000 under this category.

d. Land Acquisition & Assembly

This may include, but is not limited to, fee title, easements, appraisals, environmental evaluations, consultant and broker fees, closing costs, surveying and mapping, and lease and/or the sale of property at or below market price to encourage or make feasible an economic development project. This could also include the cost to relocate existing businesses or residents to allow redevelopment.

The City budgeted \$100,000 under this category.

e. Development Incentives

The City may use TID No. 17 funds to provide cash grants and other types of incentives to developers and businesses to promote and stimulate new development. The City may enter into agreements with property owners, businesses, developers, or non-profit organizations to share costs to encourage the desired kinds of improvements. In such cases, the City will execute development agreements with the developers and/or businesses, which will identify the type and amount of assistance to be provided.

The City may provide funds either directly or through an organization authorized by Wisconsin Statutes (such as a Redevelopment Authority, Public Housing Authority, development organizations, or other appropriate organizations) to make capital available to business and/or developers to stimulate or enable economic development and housing development projects within TID No. 17. Funds may be provided in the form of a cash grant, forgivable loan, direct loan, or loan guarantee.

The City budgeted \$1,255,000 under this category.

f. Professional Services

Including, but not limited to, those costs incurred for architectural, planning, engineering, and legal advice related to implementing the Project Plan, negotiating with property owners and developers, and planning for the redevelopment of the area.

The City budgeted \$350,000 under this category.

g. Discretionary Payments

Payments made at the discretion of the local legislative body, which are found to be necessary or convenient to the creation of tax incremental districts or the implementation of Project Plans. This could include expenditures to fund programs to eliminate blight; improve housing stock; remove social obstacles to development; provide labor force training, daycare services, or neighborhood improvements to improve the quality of life or safety of the residents, workers, or visitors; and other payments which are necessary or convenient to the implementation of this Project Plan. This also can include an annual donation to the underlying TID No.10 in accordance with the requirements prescribed in Wisconsin Statutes Chapter 66.1105.

The City budgeted \$350,000 under this category.

h. Administration Costs

Administrative costs including, but not limited to, a reasonable portion of the salaries of the City Administrator, Building Inspector, Attorney, Finance Director, Auditor, Assessor, Public Works employees, City Engineer, consultants, and others directly involved in planning and administering the projects and overall District. Administration costs also include any annual payments required to be paid to the Wisconsin Department of Revenue (DOR) under state law.

The City budgeted \$515,000 under this category.

i. TID Organizational Costs

Organizational costs including, but not limited to, the fees of the financial consultant, attorney, engineers, planners, community development consultants, surveyors, GIS professionals, environmental consultants, appraisers, and other contract services related to the planning and creation of the TID. This shall include the preparation of feasibility studies, project plans, engineering to determine project costs and prepare plans, maps, legal services, environmental investigations, grant applications, regulatory approvals, and other payments made which are necessary or convenient to the creation of this tax increment district. Also included as an eligible administrative cost is the \$1,000 Certification Fee charged by the Wisconsin Department of Revenue.

The City budgeted \$5,000 under this category.

j. Inflation

Throughout the past 20 years, the annual rate of inflation in the construction industry has averaged between 2% and 4%. The inflation appreciation rate, for the purpose of making projections, is 2% as illustrated in Appendix B.

The City anticipates \$345,000 in inflation costs throughout the life of the TID.

k. Financing Costs

Including, but not limited to, all interest paid to holders of evidence of indebtedness issued to pay for project costs and any premium paid over the principal amount of the obligations due to their redemption of the obligations before maturity.

The total financing cost allocated to the TID will be dependent on the amount and time of the loans. The City anticipates approximately \$959,486 in financing costs throughout the life of the TID not including capitalized interest.

The projects listed above will provide the necessary facilities and support to enable and encourage the development of TID No. 17. These projects may be implemented in varying degrees in response to development needs. The cost estimates above may be adjusted for inflation at the time they are incurred.

9. DETAILED LIST OF PROJECT COSTS

Figure No. 2 below summarizes the detailed project costs for project categories anticipated to be implemented during the expenditure period of TID No. 17. This format follows Department of Revenue guidance on detailed project costs, which states “this list should show estimated expenditures expected for each major category of public improvements.”

All costs listed are based on 2021 prices and are preliminary estimates. The City reserves the right to revise these cost estimates to reflect unforeseen circumstances between 2021 and the time of construction or implementation, such as a higher than the anticipated inflation rate or financing costs that vary from projections due to market conditions at the time of a bond issuance. The City could pursue grant programs to help share project costs included in this Project Plan, as appropriate. Planned project costs are listed in the table below. A more detailed list of planned project costs is included as part of the Financial Attachments in Appendix B.

The City may fund specific project cost items shown below in greater or lesser amounts in response to opportunities that will help the City accomplish the purposes of TID No. 17. The City will use the overall benefit to the City and economic feasibility (i.e., the availability of future revenue to support additional project costs) in determining the actual budget for project cost items throughout the TID’s expenditure period.

Figure 2: Planned Project Costs Summary			
TID No. 17		Created/Revised: 1/28/2021	
Category	Project Plan Costs	Other's Share	TID Share
A. Infrastructure	\$8,000,000	\$5,000,000	\$3,000,000
B. Capital Costs	\$100,000	\$0	\$100,000
C. Site Development Costs	\$50,000	\$0	\$50,000
D. Land Acquisition & Assembly	\$100,000	\$0	\$100,000
E. Development Incentives	\$1,255,000	\$0	\$1,255,000
F. Professional Services	\$350,000	\$0	\$350,000
G. Discretionary Payments	\$350,000	\$0	\$350,000
H. Administration Costs	\$515,000	\$0	\$515,000
I. Organizational Costs	\$5,000	\$0	\$5,000
J. Inflation	\$345,000	\$0	\$345,000
Subtotal	\$11,070,000	\$5,000,000	\$6,070,000
K. Financing Costs (<i>less Capitalized Interest</i>)			\$959,486
Capitalized Interest			\$215,000
Total TID Expenditure			\$7,244,486

Non-Project costs are public works projects that only partly benefit the TID or are not eligible to be paid with tax increment, or costs not eligible to be paid with Tax Incremental Financing funds. Examples would include:

- A public improvement made within the TID that also benefits property outside the TID. That portion of the total project costs allocable to properties outside of the TID would be a non-project cost.

- A public improvement made outside the TID that only partially benefits property within the TID. That portion of the total project costs allocable to properties outside of the TID would be a non-project cost.
- Projects undertaken within the TID as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The City anticipates approximately \$5,000,000 of project funding from other governmental agencies and grant programs for the completion of the future Rockland Road improvements that would also benefit parcels outside of the TID. Table 1 in Appendix B illustrates these costs.

10. ECONOMIC FEASIBILITY, FINANCING & TIMETABLE

In order to evaluate the economic feasibility of the TID, it is necessary to project the amount of tax increment revenue that can reasonably be generated from the District. The ability of the municipality to finance proposed projects must also be determined. The District is economically feasible if the tax increment revenue projected to be generated over the life of the TID is sufficient to pay all project and financing costs incurred during the TID's expenditure period. The components of such an analysis include:

- The expected increase in property valuation due to inflation and the impact of general economic conditions on the TID.
- The expected increase in property valuation due to new development encouraged by the TID.
- Any change that may take place in the full value tax rate.
- The expected TID revenues.
- The expected TID cash flow (the timing of the revenue).

The economic feasibility must make some projections and assumptions. These assumptions are as follows:

a. Increase in Property Value

For the purposes of projecting assessed values for the remainder of the District's life, the Project Plan used a 1% property appreciation rate per year. This estimate is below the recent local, state, and national averages.

b. Effective Tax Rate

The third variable to consider in projecting TID revenues is the full-value tax rate. The full-value tax rate is adjusted annually based on property valuation and the amount of funds required by all taxing jurisdictions to support their adopted annual budgets. For the purposes of projecting the mill rate for the remainder of the District's life, the Project Plan used the 2020 reported interim tax rate of \$0.017735858 as reported by the City. The assumption of a 1.25% change will provide a conservative estimate since the rate drastically dropped by 18% over the past two years and we anticipate it to return to the previous year values over the remaining life of the district.

c. Cash Flow

Another consideration regarding the adequacy of TID revenues toward paying TID project costs is the relative timing of revenue and expenditures or cash flow. There are sufficient TID revenues over the life of the TID to pay for all costs. The Tax Increment Cash Flow Worksheet shown in Appendix B summarizes the assumed cash flow.

11. FINANCING METHODS & TIMETABLE

a. Financing Methods

An important aspect to consider in assessing the economic feasibility of TID No. 17 is the ability of the City to finance desired projects to encourage development. Financial resources available to the City include general obligation notes and bonds, revenue bonds, special assessments, and federal and state community development programs.

General obligations of the City are limited by state law to five percent of the equalized property value. As of December 31, 2020, the City had a total debt capacity of approximately \$118.30 million and approximately \$43.63 million in existing General Obligation debt. Using this data, the current remaining debt capacity is about \$74.67 million. There is approximately \$7.6 million in anticipated project costs within the TID; however, not all anticipated project costs will need to be borrowed. For example, TID administration costs can be paid out of City operating funds and reimbursed from the TID when funds are available. Other expenses can be paid out of TID cash flow as projects are constructed and assessed, and begin paying property taxes. The City can finance some project costs through direct debt or bond instruments, utilizing the general revenue capacity of the City to secure those instruments. There are other mechanisms available to pay for some project costs that would not count against the City's constitutional debt capacity. "Developer-Financed TIF" (PAYGO) is one of these options, where the developer borrows funds that the City would have borrowed under a traditional TIF, and is then reimbursed by the City.

b. Timetable

The maximum life of the TID is 20 years; a three-year extension may be requested. The City of De Pere has a maximum of 15 years to incur TIF expenses for the projects outlined in this Project Plan. The City of De Pere is not mandated to make the improvements defined in this Project Plan; each project will require case-by-case review and approval. The decision to proceed with a particular project will be based on the economic conditions and budgetary constraints at the time a project is scheduled for consideration. The actual implementation of the projects may be accelerated or deferred, depending on conditions existing at the time.

Additionally, current state statutes allow a municipality to collect revenue from a TID that is about to close for one additional year to benefit affordable housing and improve the City's housing stock. The City of De Pere may opt to take advantage of this provision before termination of TID No. 17.

The timing for each of the planned redevelopment projects is shown in the TID Pro Forma (Attachment No. 4 in Appendix B) and Increment Projections (Attachment No. 7 in Appendix B) worksheets.

c. TID Expenditure Period

The expenditure period for the District ends on March 16, 2036. The City could incur additional project costs until this date. The City is not mandated to make the improvements defined in this Project Plan; each project will require case-by-case review and approval. The decision to proceed with a particular project will be based on the economic conditions and budgetary constraints at the time a project is scheduled for consideration. The actual implementation of the projects may be accelerated or deferred, depending on conditions existing at the time.

d. TID Closure Date

The mandate closure date is March 16, 2042. Therefore, the final collection year for TID No. 17 is 2042. If the City was to close the TID after April 15 of the same calendar, the TID would receive one additional year of increment revenue. It is noted that per Act 256 in 2015, the State approved adding one-year life and allocation extension for new TIDs when the municipality adopts the resolution between September 30 and May 15. This is to account for the difference between annual TID creation deadlines and require closure deadlines.

12. EQUALIZED VALUE TEST

Wisconsin Statutes Section 66.1105(4)(gm)4.c states that the equalized value of the taxable property of the new TID combined with the value increments of all existing districts cannot exceed 12% of the total equalized value of the taxable property within the municipality. Figure 3 below uses values listed in the Wisconsin Department of Revenue's 2020 TIF Value Limitation Report.

Figure 3: TID Valuation Compliance Test			
TID No. 17			
Description	Type	Current	Proposed
Report Year		2020**	2021
Recent Annual Reported Total Municipal Equalized Value		\$ 2,209,815,400	\$ 2,209,815,400
12% Test		\$ 265,177,848	\$ 265,177,848
Tax Increment District No. 005	Increment	\$ 35,059,700	\$ 35,059,700
Tax Increment District No. 006	Increment	\$ 93,085,200	\$ 93,085,200
Tax Increment District No. 007	Increment	\$ 6,743,600	\$ 6,743,600
Tax Increment District No. 008	Increment	\$ 27,025,100	\$ 27,025,100
Tax Increment District No. 009	Increment	\$ 2,128,100	\$ 2,128,100
Tax Increment District No. 010	Increment	\$ 6,886,100	\$ 6,886,100
Tax Increment District No. 011	Increment	\$ 7,641,600	\$ 7,641,600
Tax Increment District No. 012	Base +	\$ 1,534,800	\$ 1,534,800
Tax Increment District No. 013	Increment	\$ 4,471,600	\$ 4,471,600
Tax Increment District No. 014	Increment	\$ (5,400)	\$ (5,400)
Tax Increment District No. 015	Increment	\$ 15,000,000	
Tax Increment District No. 016	Increment	\$ -	\$ -
Tax Increment District No. 017	Base	\$ -	\$ -
		\$ -	\$ -
Total (*A negative increment is treated as zero increment)		\$ 199,575,800	\$ 184,575,800
Percent of City's Equalized Value in Existing TIDs		9.03%	8.35%
Remaining Available TID Value		\$ 65,602,048	\$ 80,602,048
Compliance		OK	OK

** Report: DOR Dated 08/11/2020

13. STATEMENT OF IMPACT TO OVERLYING TAXING JURISDICTIONS

All overlapping taxing jurisdictions will benefit from increased property values, job creation, and redevelopment or development of properties, as well as other economic activities. Therefore, upon closure of the TID, the projected increments should be dispersed between all of the overlying taxing jurisdictions. Figure 4 provides a summary of the impact on the overlying taxing jurisdictions throughout the life of the District.

Figure 4: Analysis of Impact on Overlying Jurisdictions						
TID No. 17						
Taxing Jurisdiction	2020 Tax Increment Worksheet Interim Rate	% of Mill Rate by Jurisdiction	Annual Taxes Collected on Base Value Distributed to Taxing Jurisdictions	Annual Taxes Collected After TID	Increase in Annual Tax Collections After TID	City Levy Increase (50%) Annual Tax Collections After TID
School District*	\$0.006520496	36.8%	\$0	\$209,614	\$209,614	
Tech. College	\$0.000795339	4.5%	\$0	\$25,568	\$25,568	
County	\$0.004049804	22.8%	\$0	\$130,189	\$130,189	
Local	\$0.006370219	35.9%	\$0	\$204,783		\$102,392
Total	\$0.017735858	100.0%	\$0	\$570,154		

* Represents an \$4.10 per \$1,000 reduction over the previous two year.

14. STATEMENT OF PROPOSED CHANGES TO MUNICIPAL MAPS, PLANS, AND ORDINANCES

For areas located in the City, this Project Plan does not propose changes to the Comprehensive Plan, City maps, City ordinances or Building Codes as part of this Project Plan. The Project Plan presented here is in compliance with the City's adopted Comprehensive Plan. Modifications to the City's Zoning Code and other City ordinances may be necessary for the future if deemed appropriate for redevelopment. Zoning is shown in Appendix A. Development proposals will have to go through the appropriate procedure to receive the proper zoning for a proposed project.

15. RELOCATION

No persons are expected to be displaced or relocated as a result of proposed projects in TID No. 17; however, if relocation were to become necessary in the future, the City will do so in full accordance with all applicable state statutes and rules. The following is the method proposed by the City for displacement or relocation. Before negotiations begin for the acquisition of property or easements, all property owners will be contacted to determine if there will be displaced persons as defined by Wisconsin Statutes and Administrative Rules. If it appears there will be displaced persons, all property owners and prospective displaced persons will be provided an informational pamphlet prepared by the State of Wisconsin. If any person is displaced as a result of the acquisition, they will be given a pamphlet on "Relocation Benefits" as prepared by the DOA. The City will file a relocation Project Plan with the DOA and shall keep records as required by Wisconsin Statutes section 32.27. The City will provide each owner a full narrative appraisal, a map showing the owners of all property affected by the proposed project, and a list of neighboring landowners to whom offers are being made as required by law.

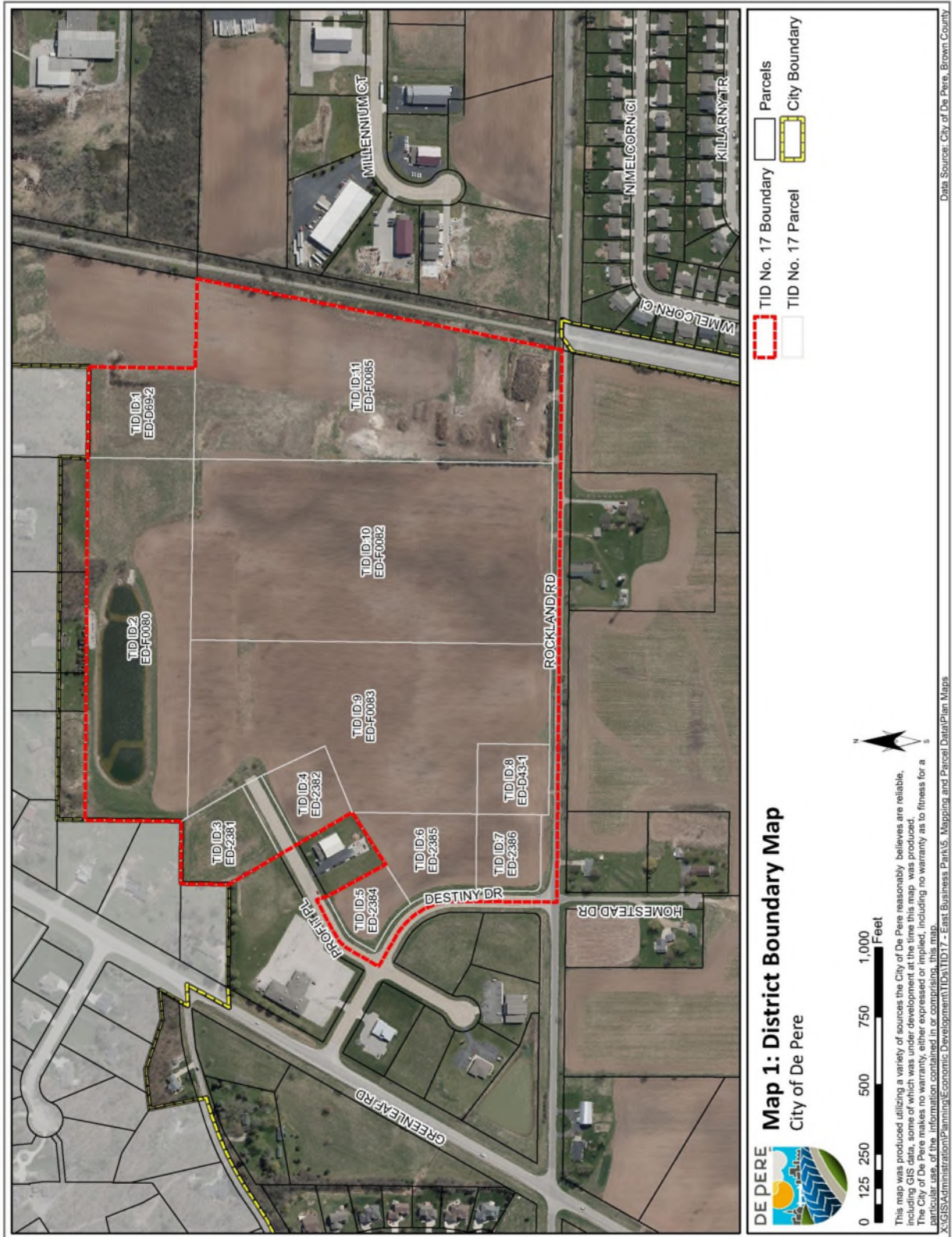
16. DISTRICT BOUNDARY AND DESCRIPTION

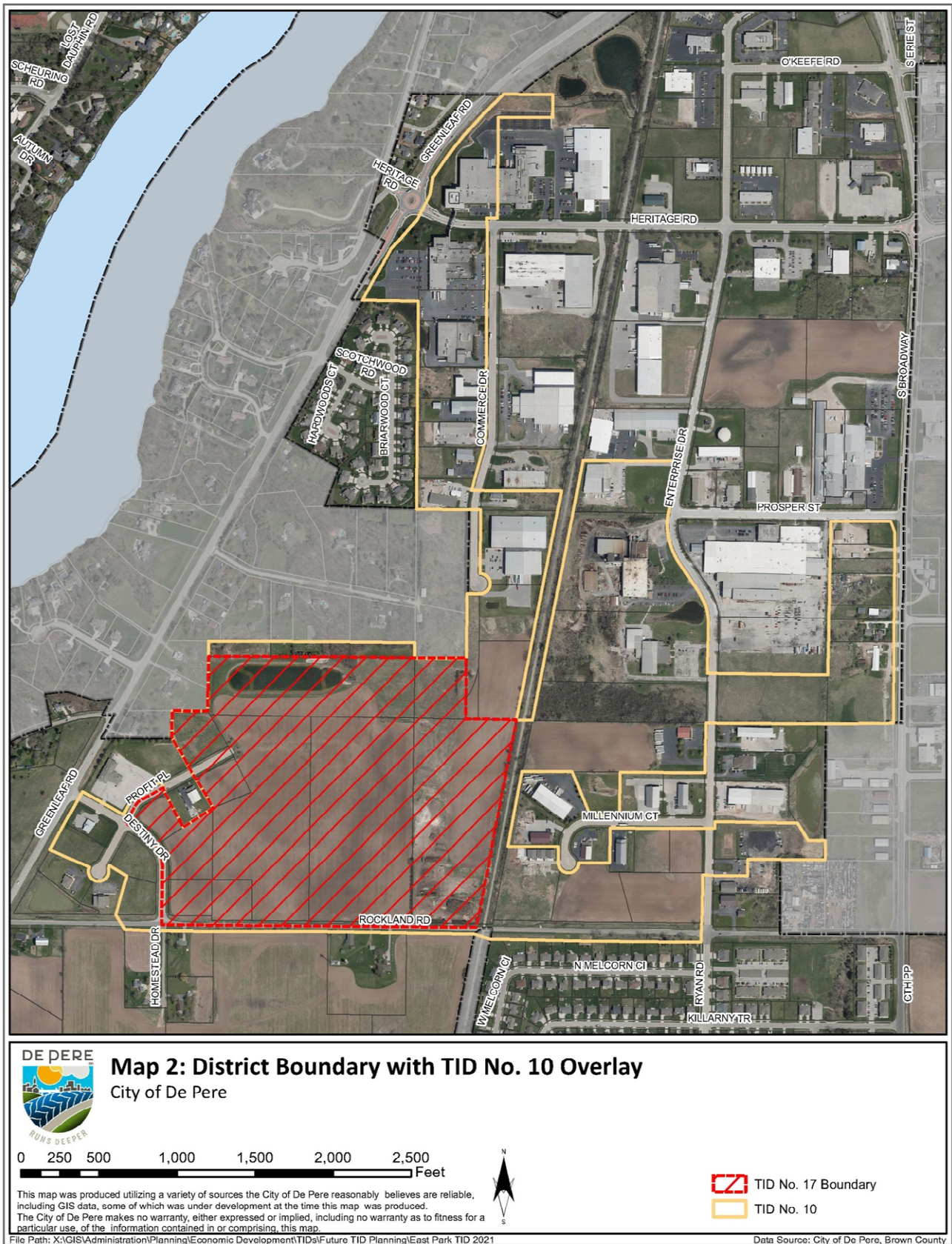
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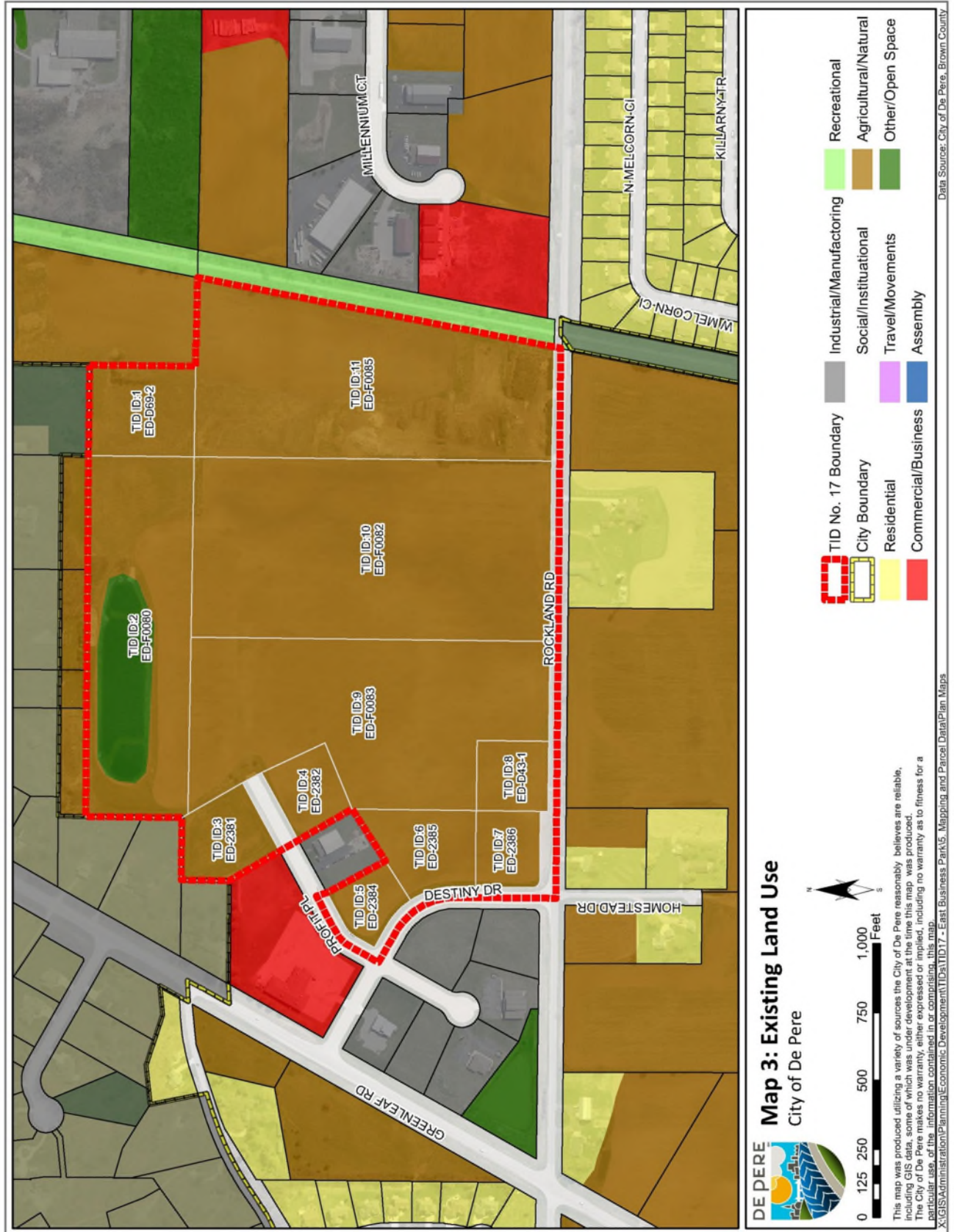
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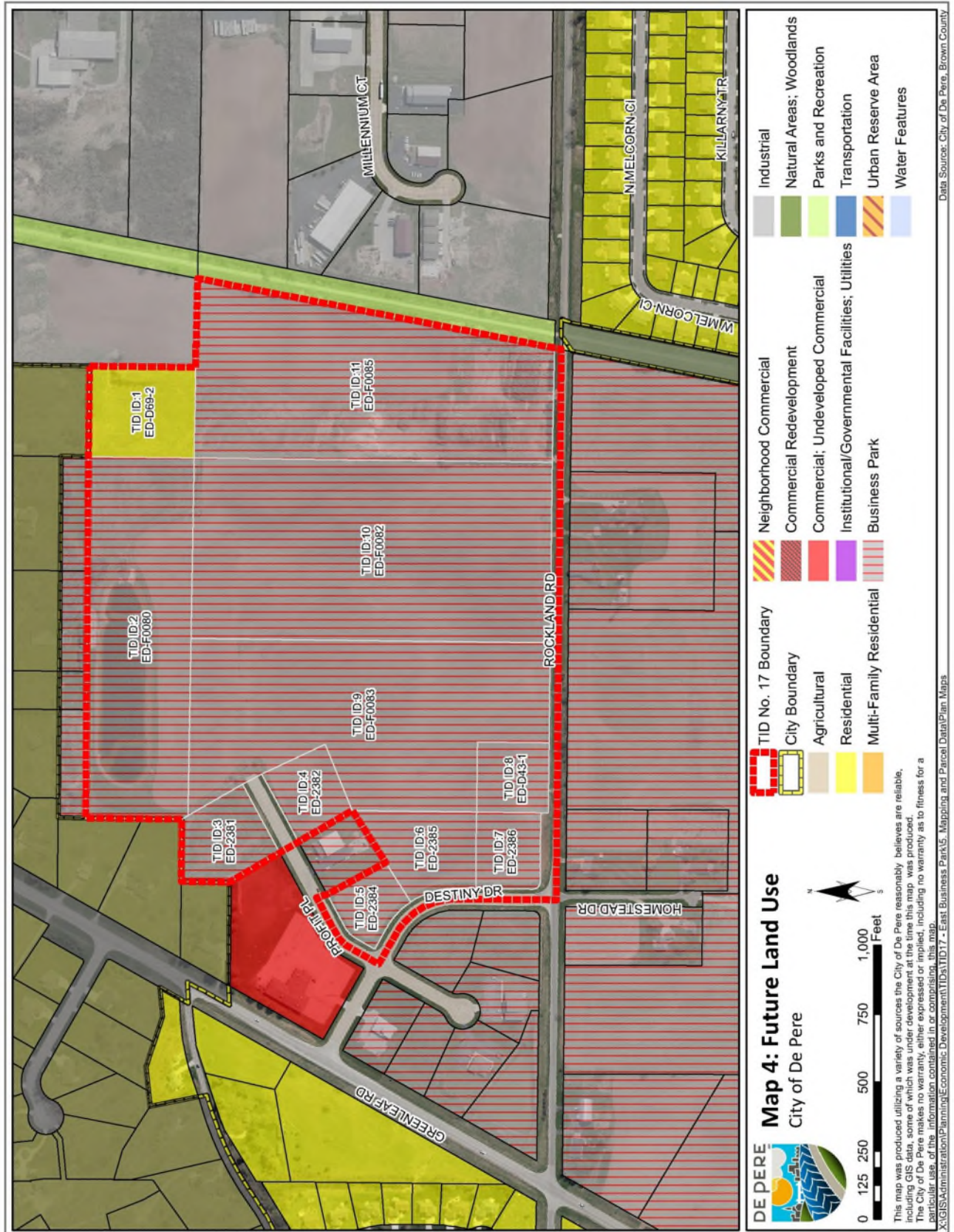
APPENDIX A: MAPS

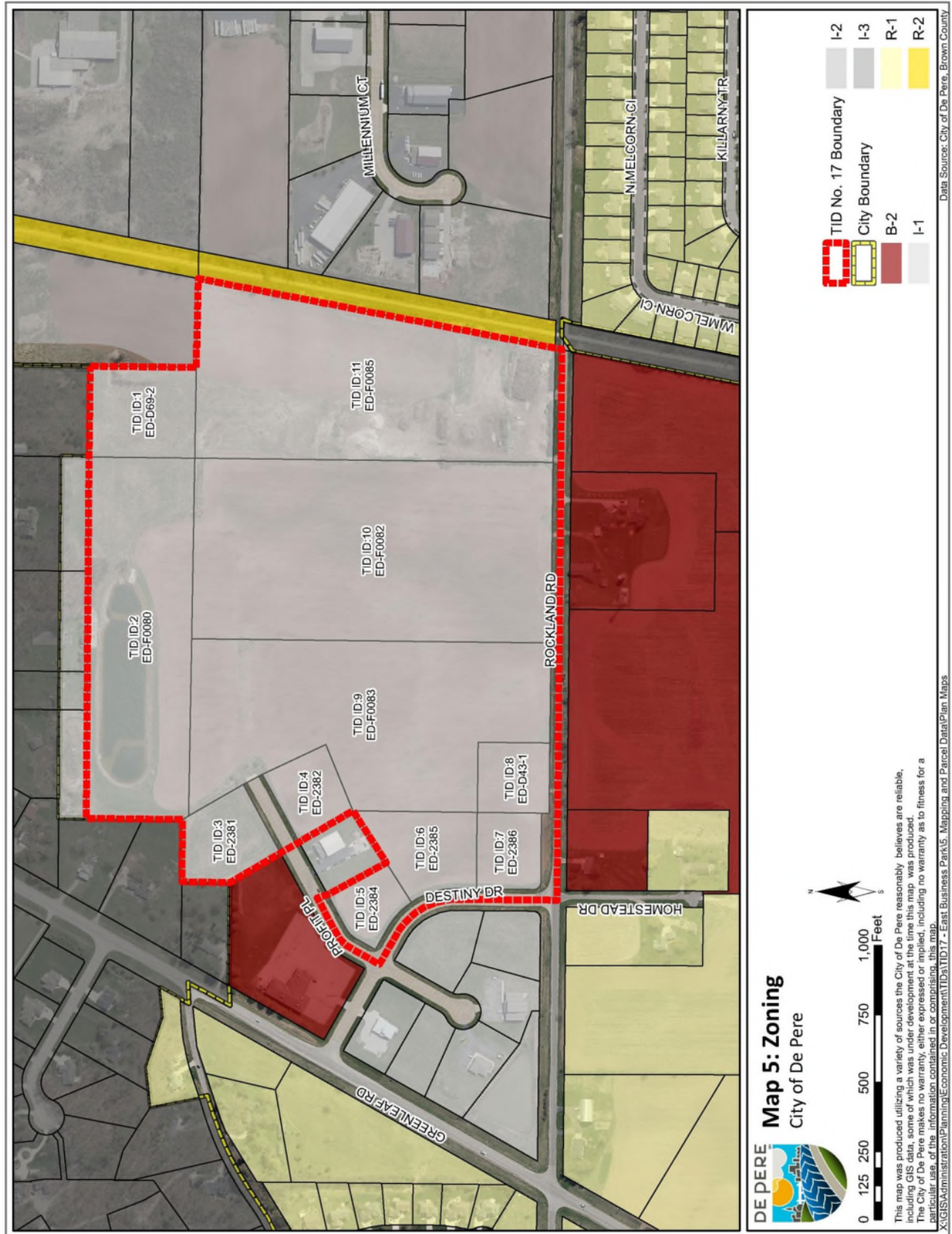
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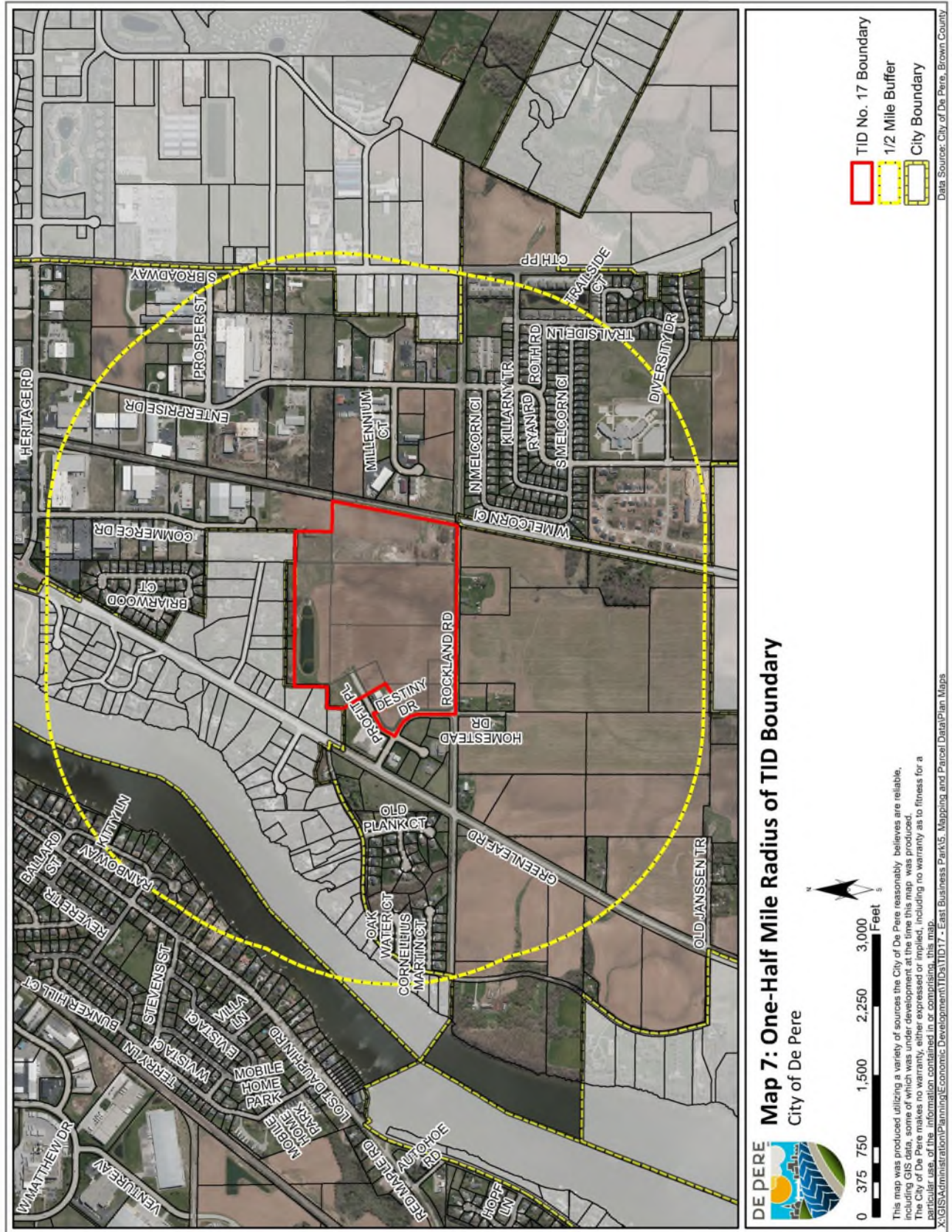


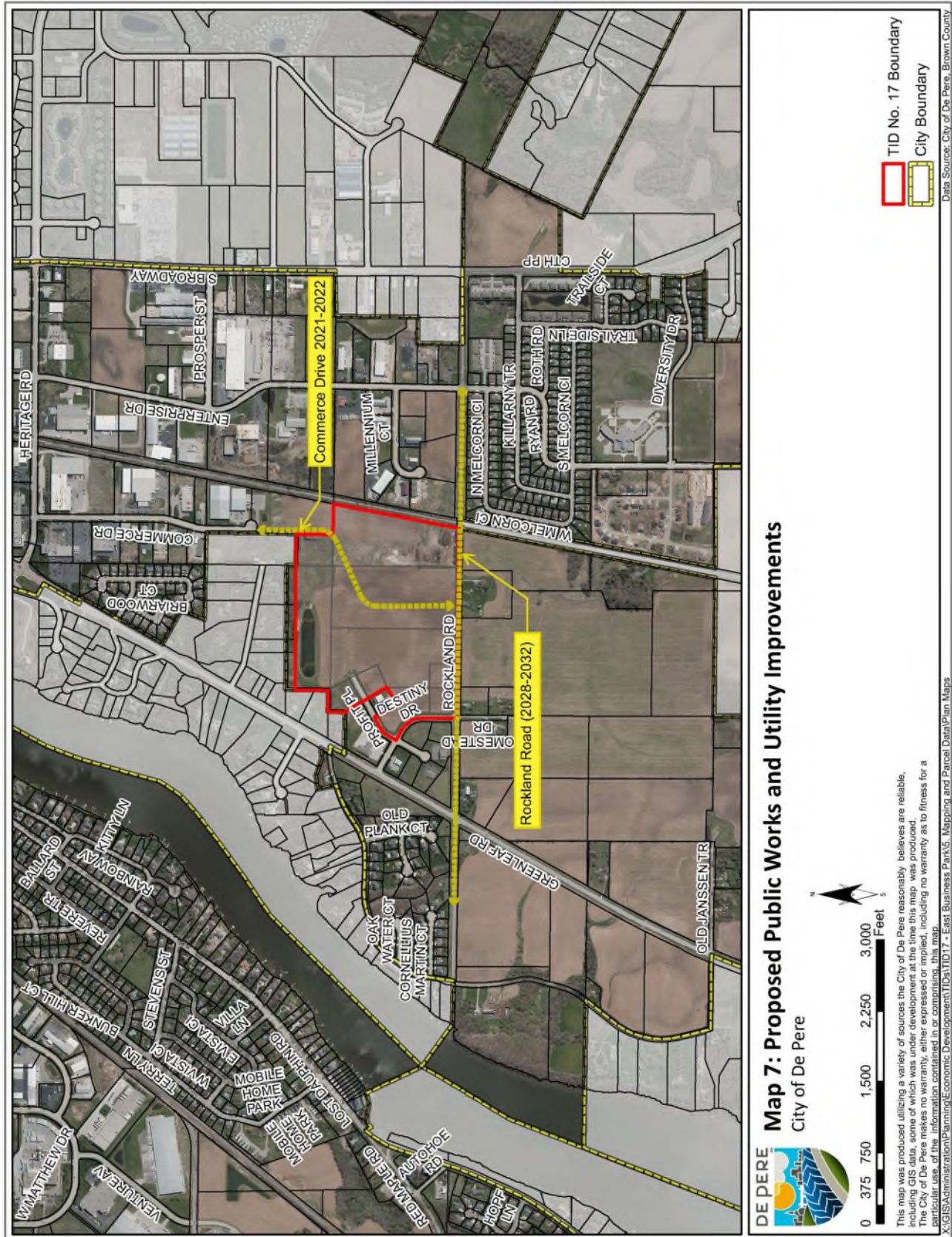












APPENDIX B: FINANCIAL ATTACHMENTS

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APPENDIX C: RESOLUTIONS, NOTICES, MINUTES, AND OTHER ATTACHMENTS

DRAFT



City of De Pere, Wisconsin

Request For Joint Review Board Action

MEETING DATE: February 16, 2021

DEPARTMENT: Planning

FROM: Kelly Barker

SUBJECT: Future Agenda Items.



City of De Pere, Wisconsin

Request For Joint Review Board Action

MEETING DATE: February 16, 2021

DEPARTMENT: Planning

FROM: Kelly Barker

SUBJECT: Next Meeting Date.
